<u>REMARKS</u>

The Application has been carefully reviewed in light of the Office Action dated October 19, 2004. Claims 47 to 54 are in the application, of which Claims 47 and 52 are independent. Claims 1 to 46 are being canceled without prejudice or disclaimer of the subject matter. Claims 47, 48, 51 and 52 are being amended, and Claims 53 and 54 are being added. Reconsideration and further examination are respectfully requested.

Initially, with regard to a formal matter, Applicants repeat their request for an initialed copy of the form PTO-1449 which accompanied the February 9, 2001

Information Disclosure Statement (IDS), to indicate that the art cited in the IDS has been considered and made formally of record.

Turning to the Office Action, Claims 47 to 50 are rejected under 35 U.S.C. § 101, as allegedly being directed to non-statutory subject matter. In response, the claims are amended as suggested by the Examiner at page 6 of the Office Action. Reconsideration and withdrawal of the rejection are therefore respectfully requested.

Claims 47 to 52 are rejected under 35 U.S.C. § 102(e) over U.S. Patent No. 6,760,128 (Jackson).

The present invention generally concerns processing digital image data, wherein revenue can be generated from the image data processing services offered and from advertisements passed on to users. More particularly, according to the present invention, digital image data and advertising information are stored in electronic databases, and a service menu is displayed on a computer, which includes a displayed image based on the stored image data, services for printing the image data, and an advertisement based on the stored advertising information.

Turning to the language of the claims, Claim 1 defines a method of providing digital image service. According to the method, digital image data is received from a removable storage media via an interface, and the received digital image data is stored in an electronic image database. Advertising information is received from a remote server via a network, and is stored in an electronic advertising database. A request is received at a computer for displaying a service menu. In response to the request, the digital image data in the electronic image data and the advertising information in the electronic advertising database is sent to the computer via a cable head end. An image is displayed in a service menu on a display of the computer based on the digital image data, together with an advertisement based on the advertising information and one or more services for printing the image data.

The applied art, namely Jackson, is not seen to disclose each and every one of the above-identified features, particularly as regards displaying, in a service menu on a display of a computer, an image, which is based on digital image data received from a removable storage medium via an interface and stored in an electronic image database, an advertisement, which is based on advertising information stored in an electronic advertising database, and one or more services for printing the image data.

Jackson is seen to store images at a service provider, and to allow a user to select a photo product option to generate photos from the stored images. (See Jackson, Abstract) At col. 4, lines 14 to 41, Jackson is seen to describe an electronic database that provides photo product options to print digital images on photo album pages, and features of the photo products. However, this is not seen to be the same as displaying an image based on image data retrieved from an electronic image database, one or more services for

printing the image data, and an advertisement based on advertisement information retrieved from an electronic advertisement database.

Therefore, for at least the foregoing reasons, Claim 1 is believed to be in condition for allowance. Further, Applicants submit that Claim 52 is believed to be in condition for allowance for at least the same reasons.

The other claims are each dependent from the independent claims discussed above and are therefore believed patentable for the same reasons. Because each dependent claim is also deemed to define an additional aspect of the invention, however, the individual consideration of each on its own merits is respectfully requested.

In this regard, new Claims 53 and 54 have the added feature that the image data and advertising information is sent via a cable head end. Jackson is not seen to teach or to disclose this feature. Accordingly, these claims are considered to be in condition for allowance.

In view of the foregoing, the entire application is believed to be in condition for allowance, and such action is respectfully requested at the Examiner's earliest convenience.

Applicants' undersigned attorney may be reached in our Costa Mesa,

California office by telephone at (714) 540-8700. All correspondence should be directed to our address given below.

Respectfully submitted,

Carole A. Quinn

Attorney for Applicants Registration No.: 39,000

FITZPATRICK, CELLA, HARPER & SCINTO 30 Rockefeller Plaza
New York, New York 10112-2200
Facsimile: (212) 218-2200

CA_MAIN 88926v1